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SUBJECT: MORE UNCERTAINTY ABOUT JEDDAH ECONOMIC FORUM

REF: A. A) JEDDAH 0013

[B.](#) B) JEDDAH 0020

Classified By: CG Martin R. Quinn for reasons 1.4(b) and (d)

¶1. (C) Summary. A Saudi businessman/intellectual claims that losses at last year's Jeddah Economic Forum (JEF) totalling 7 million dollars constitute the primary reason for JEF's cancellation. Other reasons include management and organizational problems, making it uncertain that the JEF will be rescheduled later this spring as some sources have indicated. End summary.

¶2. (C) Waleed Al Banawa, US-educated businessman and intellectual, chairman of the Next Generation Conference, recently held in Jordan, and well-connected to members of the Jeddah Chamber of Commerce and Industry (JCCI) and planners of the Jeddah Economic Forum (JEF), believes that the Forum's cancellation is due primarily to losses totalling some 7 million dollars at last year's JEF. He cited the fact that the licensing authority for the conference had moved to Riyadh as well as official SAG reluctance to host the event due to "social concerns." An awkward feature of last year's JEF, from the conservative Islamic point of view, included "observed commingling of the sexes" (Ref B). Banawa went on to critique the purpose and outcome of JEF, specifically pointing out that bringing celebrity speakers like Gorbachev made little sense. Banawa slammed the JEF organization as "directionless" and "a waste of money," raising concern over speakers and the mission to the organizers. (Another Saudi contact reported that the JEF planners, flailing about, had even considered inviting Venezuelan President Hugo Chavez.) Doubts were also expressed about the wisdom of holding the conference in the midst of the global economic crisis. Banawa did not see the situation in Gaza as a precipitating reason and did not expect that the event would be rescheduled this year, but would remain, in effect, cancelled for 2009.

¶3. (C) On January 20 a previous director of JEF informed Poloff that JEF has been suffering from major management problems and was simply unprepared for the scope and scale of the much larger 10th anniversary event. He claimed that some of the other speculative reasons for cancellation are true, but that management issues are paramount. He said the forum was losing significant money, but that the powerful public image that the conference created for Saudi Arabia is well worth these losses. He did not expect the conference to be rescheduled this spring, but thought it might return next year, in 2010, in a wholly revised format.

¶4. (C) Comment: Although Gaza may have provided a convenient pretext for JEF organizers to cancel or postpone the February event (while citing "delay in getting official permission"), other factors now seem more prominent. The future of the Jeddah Economic Forum remains uncertain. End comment.

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